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APR 1 1 2011

PUBLIC SERVICE COMMISSION

April 8, 2011

Via Federal Express

Mr. Jeff DeRouen Executive Director Public Service Commission 211 Sower Boulevard Frankfort, KY 40601

Re: Big Rivers Electric Corporation

Case No. 2011-00036

Dear Mr. DeRouen:

Enclosed on behalf of Big Rivers Electric Corporation are an original and ten copies of Big Rivers' reply to the response of the Attorney General to Big Rivers' Petition for Confidential Treatment dated March 18, 2011 in the above-styled matter. I certify that a copy of this response has been served on the parties shown on the attached service list.

Sincerely yours,

James M. Miller

Junes M. miller

Counsel for Big Rivers Electric Corporation

Attachment

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> 100 St. Ann Building PO Box 727 Owensboro, Kentucky 42302-0727

SERVICE LIST CASE NO. 2011-00036

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1 2	COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION				
3	In the Matter of:				
5 6 7 8 9 10 11 12 13	APPLICATION OF BIG RIVERS ELECTRIC) CORPORATION FOR A GENERAL) CASE NO. 2011-00036 ADJUSTMENT IN RATES)				
	BIG RIVERS ELECTRIC CORPORATION'S REPLY TO THE ATTORNEY GENERAL'S OPPOSITION TO PETITION FOR CONFIDENTIALITY				
	Big Rivers Electric Corporation ("Big Rivers") makes this reply, through counsel, to the				
14	Attorney General's response in opposition to Big Rivers' petition for confidentiality. In support				
15	of its petition, Big Rivers states:				
16	The Attorney General concedes in his response that a person has a legitimate interest in				
17	keeping his name separated from salary information in a public disclosure of information. This				
18	is consistent with the Kentucky Court of Appeals' observation that "few things in our society are				
19	deemed of a more intimate nature than one's income." Zink v. Dept of Workers' Claims, Labor				
20	Cabinet, 902 S.W.2d 825, 828 (Ky. App. 1994). The solution offered by the Attorney General is				
21	for Big Rivers to disclose only the position and salary of the employee, and not attach a name to				
22	the position. But since each officer position is held by only one person, the Attorney General's				
23	suggestion would allow even an unskilled researcher to associate names with compensation				
24	information. This result would violate the legitimate interest identified by the Attorney General.				
25	The Attorney General fails to demonstrate that the public's interest is not protected even				
26	if the information for which confidential treatment is sought remains confidential. The portion				
27	of the public that has any arguable, legitimate interest in Big Rivers' officers' and directors'				
28	compensation is quite small. Big Rivers is a private cooperative utility, not a public agency in				
29	which every resident of Kentucky has an interest. Two of the three Big Rivers member				

distribution cooperatives are intervenors in this case, and each of the three have two distribution 1 2 cooperative directors who also serve on the Big Rivers board of directors. Those three 3 distribution cooperatives are Big Rivers' ratepayers; Big Rivers has no large retail base of 4 customers as was the case in the decisions cited by the Attorney General. The Attorney General, 5 who represents the general public, has already seen the Confidential Information. And of course 6 the Public Service Commission ("Commission") has access to the Confidential Information. In 7 the end, those parties with the most direct and legitimate interest in the Confidential Information 8 have access to it. 9 The Attorney General complains that Big Rivers cited two Commission confidentiality 10 decisions in its petition that the Attorney General is unable to retrieve from the Commission's web site, namely Order dated April 30, 1997, In the Matter of: Application of Louisville Gas and 11 12 Electric Company for an Order Approving an Agreement and Plan of Exchange and to Carry 13 Out Certain Transactions in Connection Therewith, Case No. 89-374, and Letter dated 14 December 1, 2003, in PSC Case Nos. 2003-00334 and 2003-00335. Big Rivers has retrieved 15 those decisions online, and attaches them hereto for convenience. 16 Big Rivers wishes to correct a statement made in its petition for confidential treatment. 17 The sentence that begins on page 3, at line 27, should read: "Nevertheless, there is no legitimate 18 public interest in public disclosure of the Confidential Information because Big Rivers has only 19 three customers – its three distribution cooperative members. Each distribution cooperative has 20 two members of its board of directors on the Big Rivers board of directors, and those directors 21 are already aware of the Confidential Information."

The Confidential Information is not publicly available, is not disseminated within Big

Rivers except to those employees and professionals with a legitimate business need to know and

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2 and act upon the information. The Commission, the Attorney General (representing the public). 3 and intervenors in this case (including an association of retail large industrial customers served 4 by one of Big Rivers' member distribution cooperatives who purchase more than 70% of the 5 electricity generated by Big Rivers) have access to the Confidential Information and can use it 6 for purposes of this rate case. There is no legitimate public interest to justify disclosing this 7 "intimate" Confidential Information to the public at large. 8 WHEREFORE, Big Rivers respectfully requests that the Commission classify and protect 9 as confidential the Confidential Information. On this the 8th day of April, 2011. 10 James M. Miller 11 12 13 14 Tyson Kamuf 15 Sullivan, Mountjoy, Stainback & Miller, P.S.C. 100 St. Ann Street 16 17 P.O. Box 727 18 Owensboro, Kentucky 42302-0727 19 (270) 926-4000 20 21 and 22 23 Douglas L. Beresford 24 Hogan Lovells US LLP 25 Columbia Square 26 555 Thirteenth Street, NW 27 Washington, DC 20004 28 (202) 637-5819 29 30 COUNSEL FOR BIG RIVERS **ELECTRIC CORPORATION** 31

act upon the information, and is not disseminated to others without a legitimate need to know

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COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF LOUISVILLE GAS AND)	
ELECTRIC COMPANY FOR AN ORDER)	
APPROVING AN AGREEMENT AND PLAN)	CASE NO. 89-374
OF EXCHANGE AND TO CARRY OUT)	
CERTAIN TRANSACTIONS IN CONNECTION)	
THEREWITH	j	

ORDER

This matter arising upon request of Louisville Gas and Electric Company ("LG&E"), filed April 2, 1997, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the names of individual employees who transferred from LG&E to LG&E Energy Corp. during 1996 on the grounds that the information relates to details of the private lives of employees whose privacy interest in the information outweighs the public interest in the information, and it appearing to this Commission as follows:

In accordance with the Commission's Order of May 25, 1990, LG&E has filed certain information regarding its holding company, LG&E Energy Corp. and its affiliates. Included in the information are the names, years of service, salaries and job titles of employees who transferred from LG&E to LG&E Energy Corp. during 1996. LG&E seeks to protect only the names of those employees.

KRS 61.878(1)(a) exempts from disclosure "information of a personal nature where the public disclosure thereof would constitute a clearly unwarranted invasion of personal privacy." This provision is intended to protect from public disclosure any information

contained in public records that reveals the details of an individual's private life when the individual's privacy interest in the information outwelghs the public interest in the information. Board of Education of Fayette County v. Lexington-Fayette Urban County Rights Commission, Ky. App., 625 S.W. 2nd 109, 111 (1981).

As a public utility, LG&E's compensation to its employees is subject to scrutiny not only by this Commission but also by its customers, who ultimately pay the expense of such compensation in the rates they are charged for service. Therefore, information on file with the Commission regarding the salaries paid generally within each employee classification should be available for customers to determine whether those salaries are reasonable. However, the right of each individual employee within a job classification to protect such information as private outwelghs the public interest in the information. Thus, the salary paid to each individual within a classification is entitled to protection from public disclosure.

This Commission being otherwise sufficiently advised,

IT IS ORDERED that the names of the individual employees in the information filed by LG&E, which LG&E has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 30th day of April, 1997.

PUBLIC SERVICE COMMISSION

hairman

Vice Chairman

Commissioner

ATTEST:

Executive Director



Paul E. Patton, Governor

Janle A. Miller, Secretary Public Protection and Regulation Cabinet

Thomas M. Dorman Executive Director Public Service Commission COMMONWEALTH OF KENTUCKY PUBLIC SERVICE COMMISSION 211 SOWER BOULEVARD POST OFFICE BOX 615 FRANKFORT, KENTUCKY 40602-0615 www.psc.state.ky.us (502) 564-3840 Fax (502) 564-3460 Martin J. Huelsmann Chairman

> Gary W. Gillis Vice Chairman

Robert E. Spuriin Commissioner

December 1, 2003

Linda S. Portasik, Esq. Senior Corporate Attorney LG&E Energy Corp. 220 West Main Street Louisville, KY 40232

RE: KU/LG&E's Petition for Confidential Protection Cases No. 2003-00334 and 2003-00335

Dear Ms. Portasik:

The Commission has received your petition filed November 21, 2003, to protect as confidential certain information relating to the compensation paid to certain professional employees. A review of the information has determined that it is entitled to the protection requested on the grounds relied upon in the petition, and it will be withheld from public inspection.

If the information becomes publicly available or no longer warrants confidential treatment, you are required by 807 KAR 5:001, Section 7(9)(a), to inform the Commission so that the information may be placed in the public record.

Sincerely,

Thomas M. Dorman Executive Director

cc: Parties of Record



AN EQUAL OPPORTUNITY EMPLOYER HAPAD

Michael S. Beer Vice President, Rates & Regulatory Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010

Michael A. Laros Managing Director/Co-President Barrington-Wellesley Group, Inc. 2479 Lanam Ridge Road Nashville, IN 47448

John Wolfram Manager, Regulatory Policy/Strategy Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010 Honorable Elizabeth E. Blackford Assistant Attorney General Office of the Attorney General Utility & Rate Intervention Division 1024 Capital Center Drive Suite 200 Frankfort, KY 40601-8204

Honorable Linda S. Portasik Senior Corporate Attorney Louisville Gas and Electric Company 220 W. Main Street P. O. Box 32010 Louisville, KY 40232-2010 Honorable Michael L. Kurtz Attorney at Law Boehm, Kurtz & Lowry 36 East Seventh Street Suite 2110 Cincinnati, OH 45202

Honorable Kendrick R. Riggs Attorney at Law Ogden, Newell & Welch, PLLC 1700 Citizens Plaza 500 West Jefferson Street Loulsville, KY 40202

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

NOV 2 1 2003

PUBLIC SERVICE COMMISSION

In the Matter of:

AN INVESTIGATION PURSUANT TO KRS 278.260 OF THE EARNINGS SHARING MECHANISM TARIFF OF KENTUCKY UTILITIES COMPANY))) CASE NO. 2003-00334)
AND	
AN INVESTIGATION PURSUANT TO KRS 278.260 OF THE EARNINGS SHARING MECHANISM TARIFF OF LOUISVILLE GAS AND ELECTRIC COMPANY))) CASE NO. 2003-00335

PETITION OF KENTUCKY UTILITIES COMPANY AND LOUISVILLE GAS AND ELECTRIC COMPANY FOR CONFIDENTIAL PROTECTION

Kentucky Utilities Company ("KU") and Louisville Gas and Electric Company ("LG&E") (collectively, the "Companies") hereby petition the Public Service Commission of Kentucky ("Commission"), pursuant to 807 KAR 5:001, Section 7, to grant confidential protection to certain information relating to the compensation paid to certain professional employees, which information is being provided in response to Commission Data Request Nos. 6 and 26 (proffered October 30, 2003) in the above-captioned proceedings. In support of this Petition, KU and LG&E state as follows:

1. The Kentucky Open Records Act exempts from disclosure certain information of a personal nature. KRS 61.878(1)(a). The above-referenced compensation information contains

such sensitive personal information, the disclosure of which would constitute a clearly unwarranted invasion of privacy.

2. The information for which KU and LG&B are seeking confidential treatment is not known outside of the Companies, and it is not disseminated within KU and LG&B except to those employees with a legitimate business need to know the information, such as employees

within the Human Resources department.

3. In accordance with the provisions of 807 KAR 5:001 Section 7, the Companies are filing herein one copy of their respective responses to Commission Request Nos. 6 and 26 with the confidential information highlighted, and ten (10) copies for public inspection, with such confidential information fully redacted.

WHEREFORE, Kentucky Utilities Company and Louisville Gas and Electric Company

respectfully request that the Commission grant confidential protection, or in the alternative,

schedule an evidentiary hearing on all factual issues.

Respectfully submitted,

Junda 1. Portacit

Linda S. Portasik Senior Corporate Attorney 220 West Main Street

P.O. Box 32010

Louisville, Kentucky 40232 Telephone: (502) 627-2557

COUNSEL FOR LOUISVILLE GAS AND ELECTRIC COMPANY

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CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing was served via U.S. mail, first-class, postage prepaid, this 21st day of November, 2003.

Blizabeth A. Blackford, Esq. Assistant Attorney General Office for Rate Intervention 1024 Capital Center Drive Frankfort, KY 40601

Michael L. Kurtz, Esq. Boehm, Kurtz & Lowry 36 East Seventh Street Suite 2110 Cincinnati, OH 45202

Michael A. Laros Managing Director/Co-President Barrington-Wellesley Group, Inc. 2479 Lanam Ridge Road Nashville, Indiana 47448

Linda S. Protrack Counsel for Louisville Gas and Electric

Company and Kentucky Utilities Company

CONFIDENTIAL INFORMATION REDACTED

KENTUCKY UTILITIES COMPANY

CASE NO. 2003-00334

Response to First Data Request of Commission Staff dated October 30, 2003

Question No. 6

Responding Witness: Paula H. Pottinger, Ph.D.

- Q-6. Refer to pages 5 and 6 of the Pottinger Testimony. Concerning the impact that the E.ON AG ("E.ON") acquisition had on incentive payments in 2002, prepare a comparison showing the level of incentives actually awarded versus what the levels would have been absent the impact of the E.ON merger agreement. Include an explanation of the impacts of the merger agreement on the incentive payments.
- A-6. Total annual incentive paid in 2002 =

Total calculated using actual 2002 results =

Difference =

Only \$ _____ of the difference was paid to officers. The remainder was paid to employees below the officer level.

The B.ON merger agreement provided protection of bonuses at a minimum of target for 2002.

The figures above include incentive payments made to employees of all companies, not just KU.

KENTUCKY UTILITIES COMPANY

CASE NO. 2003-00334

Response to First Data Request of Commission Staff dated October 30, 2003

Question No. 26

Responding Witness: Paula H. Pottinger, Ph.D. / S. Bradford Rives

- Q-26. For each senior executive participating in the ESTICP and for each key employee participating in the LTICP, provide the following information for calendar years 2000, 2001, and 2002. Identify the participating employees by job title only.
 - a. The total compensation paid to the employee.
 - b. A breakdown of the total compensation between the following categories:
 - (1) Base salary.
 - (2) ESTICP.
 - (3) LTICP.
 - (4) Other incentive and/or compensation plans.
 - c. Indicate the amount of the total compensation directly charged to KU, LG&E Services, LG&E Energy, and other LG&E Energy affiliates and subsidiaries.
 - d. Indicate the amount of the total compensation allocated from LG&E Services to KU.
 - e. Indicate the amount of the total compensation allocated from other LG&E Energy affiliates and subsidiaries to KU.
- A-26. a. The attached schedule, filed under seal pursuant to the Company's Petition for Confidential Treatment submitted concurrently herewith, shows the base, ESTICP and LTICP by officer in position at the end of each calendar year. Please note, as we have previously discussed, that no ESTIP nor LTICP has been charged to the utility's ratepayers. Furthermore, the only portion of the compensation expense charged to the ratepayers is a very modest portion of the officers' base salaries.
 - b. (1) Base salary reflected in the schedule is the gross wage earned for the respective officer in each calendar year.

- (2) ESTICP reflected in the schedule is the short-term incentive earned for the calendar year, paid in the beginning of the following year, with the exception of 2000 which was paid at the end of 2000.
- (3) LTICP reflected in the schedule are those components paid during the calendar year. These components are stock option exercises, performance unit payouts and the vesting of restricted stock awards.
- (4) The above items reflect the only incentive and/or compensation plans for the relevant years. The Company does have various perquisites, programs and specific employee arrangements that are not based on company performance, are not paid pursuant to a plan and accordingly are not reflected in the schedule.
 - Other than the short and long term incentive plans, there are no other compensation plans available to the senior executives and key employees of KU, LG&E Services, and LG&E Energy. Base salary is not administered through a compensation plan, rather company policy and practice.
- c. The amounts charged to KU, LG&E Services, LG&E Bnergy, and other LG&E Energy affiliates and subsidiaries are all amounts except those labeled "paid time off". "Paid time off" is handled through a clearing account which is part of the burden process, generally following the allocation of base pay.
- d. The schedule reflects the amount of base salary, ESTICP and LTICP allocated to
- e. No amounts were allocated from other LG&E Energy affiliates and subsidiaries to

CONFIDENTIAL INFORMATION

CONFIDENTIAL INFORMATION REDACTED

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